

BEFORE THE ARIZONA CORPORATION COMMISSION

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MIKE GLEASON, Chairman CORP COMMISSION

KRISTIN K. MAYES **GARY PIERCE**

APPROVALS.

IN THE MATTER OF THE APPLICATION OF SULPHUR

SPRINGS VALLEY ELECTRIC

FAIR VALUE OF ITS PROPERTY FOR RATEMAKING PURPOSES, TO

FIX A JUST AND REASONABLE RETURN THEREON, TO APPROVE RATES DESIGNED TO DEVELOP

SUCH RETURN AND FOR RELATED

COOPERATIVE, INC. FOR A HEARING TO DETERMINE THE

COMMISSIONERS

WILLIAM A. MUNDELL DOCKET CONTROL JEFF HATCH-MILLER

Arizona Corporation Commission DOCKETED

NOV 1 2 2008

DOCKETED BY

DOCKET NO. E-01575A-08-0328

NOTICE OF FILING AFFIDAVITS OF MAILING AND PUBLICATION

Pursuant to the August 18 and 21, 2008, Rate Case Procedural Orders regarding the provision of public notice of the above-referenced matter, Sulphur Springs Valley Electric Cooperative, Inc. ("SSVEC") hereby submits the following:

- Affidavit of Mailing for the direct mailing of public notice to all SSVEC 1. customers; and
- Affidavits of Publication of public notice for the following newspapers of 2. general circulation within SSVEC's service territory on the dates indicated: Sierra Vista Herald/Bisbee Daily Review (10/16/08); Weekly Bulletin (10/15/08); San Pedro Valley News-Sun (10/15/08); and Arizona Range News (10/15/08).

The Affidavit of Publication for the Weekly Bulletin was provided by its publisher, the Nogales International.

1	RESPECTFULLY SUBMITTED this 12th day of November, 2008.		
2	SNELL & WILMER LLP.		
3	~/110001		
4	By William		
5	Bradley S. Carroll One Arizona Center 400 East Van Buren		
6	Phoenix, Arizona 85004-2202		
7	Attorneys for Sulphur Springs Valley Electric Cooperative, Inc.		
8	ORIGINAL and 13 copies filed this		
9	12th day of November, 2008, with:		
10	Docket Control ARIZONA CORPORATION COMMISSION		
11	1200 West Washington Phoenix, Arizona 85007		
12	COPIES of the foregoing hand-delivered		
13	this 12th day of November, 2008, to:		
14	Ernest Johnson, Director		
15	Utilities Division ARIZONA CORPORATION COMMISSION		
16	1200 West Washington Street Phoenix, Arizona 85007		
17	Amanda Ho, Staff Attorney		
18	Legal Division ARIZONA CORPORATION COMMISSION		
19	1200 West Washington Street Phoenix, Arizona 85007		
20	Jane Rodda, Administrative Law Judge		
21	Hearing Division ARIZONA CORPORATION COMMISSION		
22	1200 West Washington Phoenix, Arizona 85007		
23			
24	BY COUNTY OF THE PARTY OF THE P		
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Snell & Wilmer
LLP.
LAW OFFICES
One Arizona Center, 400 E. Van Buren
Phoenix, Arizona A65004-2202
(602), 582-6600

- 2 -

AFFIDAVIT OF MAILING

State of Arizona)
) ss
County of Cochise)
I Wayna R Crana	haina

- I, Wayne E. Crane, being first duly sworn upon my oath, do state as follows:
- 1. I am over 18 years of age and have personal knowledge of the matters set forth in this affidavit.
- 2. I am the Public Relations Manager for Sulphur Springs Valley Electric Cooperative, Inc. ("SSVEC").
- 3. My business address is 350 North Haskell Avenue, Willcox, AZ 85643.
- 4. I initiated, through SSVEC's third party mailing agent, The Statement Company, LLC, a direct mailing of the attached Public Notice to all SSVEC customers in accordance with the requirements of the Arizona Corporation Commission's August 18, 2008, Procedural Order.
- 5. The Public Notice was mailed to all SSVEC customers on the dates set forth in the attached October 29, 2008, letter from W. Michael Smith of The Statement Company, LLC.

Further Affiant sayeth not.

WAYNE E. CRANE

SUBSCRIBED and sworn to before me this third (3rd) day of November, 2008.

Charlene assembly
Notary Public

My Commission Expires: May 13,2011

OFFICIAL SEAL
CHARLENE A. BENNETT
Notary Public - State of Arizana
COCHISE COUNTY
My Comm. Expires May 13, 2011

PUBLIC NOTICE OF HEARING ON THE RATE APPLICATION OF SULPHUR SPRINGS VALLEY ELECTRIC COOPERATIVE, INC. DOCKET NO. E-01575A-08-0328

On June 30, 2008, Sulphur Springs Valley Electric Cooperative, Inc. ("SSVEC" or "Cooperative") filed an application with the Arizona Corporation Commission for an approximate 11.75 percent increase (\$10,881,590) in annual revenue over its current revenues. In addition to an increase and modification to its rates and charges, SSVEC is requesting among other things, the Commission to approve a revision to its Wholesale Power Cost Adjustment ("WPCA") mechanism to include the pass-through of future generation and transmission costs associated with Cooperative-owned generation and transmission facilities; a new Debt Cost Adjustment mechanism that would permit the Cooperative to recover increases in interest costs associated with Commission-approved financing of plant additions; the elimination of line extension credits; and the inclusion of a portion of approved future DSM program expenses in base rates with additional expenses recovered through a new DSM Adjustment mechanism. Under the rates proposed by the Cooperative a residential customer using an average of 728 kWh per month would experience a monthly increase of \$9.83, 11.07 percent, from \$88.79 to \$98.62, not including the effect of the proposed adjustor mechanisms. Residential customers using less or more than the average 728 kWh per month will experience a lower or higher percent increase depending on their usage. Under the Cooperative's proposal, other rate class customers would experience increases between 0.26 percent and 23.45 percent depending on their class and usage.

If you have any questions concerning how the Cooperative's rate proposal will affect your bill or have other substantive questions about this application, you may contact the Cooperative at: Jack Blair, 311 East Wilcox Drive, Sierra Vista, Arizona 85635; telephone 520-515-3470; e-mail jackb@ssvec.com.

The Commission's Utilities Division Staff has not yet made a recommendation regarding the Cooperative's rate increase proposal, and the commission will determine the appropriate rate relief to be granted base on the evidence of record in this proceeding. The Commission is not bound by the proposals made by the Cooperative, Staff, or any intervenors and, therefore, the final rates approved in this docket may be lower or higher than the rates described above.

How You Can View or Obtain a Copy of the Rate Proposal

Copies of the application and proposed tariffs are available at the Cooperative's offices located at 311 East Wilcox Drive, Sierra Vista, Arizona 85635 and at 350 North Haskell Avenue, Willcox, Arizona 85643 and at the Commission's Docket Control Center at 1200 West Washington, Phoenix, Arizona and its Tucson offices, 300 West Congress, Suite 218, Tucson, Arizona and on the internet via the Commission website (/www.azcc.gov/) using the e-docket function.

Public Hearing Information

The Commission will hold a hearing on this matter beginning April 21, 2009, at 10:00 a.m., at the Commission's offices, Room 222, 400 West Congress, Tucson, Arizona.

Public comments will be taken at the beginning of the first day of the hearing. Written public comments may be submitted by mailing a letter referencing Docket No. E-01575A-08-0328 to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by e-mail. For a form to use and instructions on how to e-mail comments to the Commission, go to http://www.azcc.gov/divisions/utilities/forms/public_comment.pdf. If you require assistance, you may contact the Consumer Services Section at 1-800-222-7000 or (520) 628-6550.

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you wish to intervene, you must file an original and 13 copies of a written motion to intervene with the Commission no later than **January 15, 2009,** and a copy of the motion to SSVEC or its counsel and to all parties of record. Your motion must contain the following:

- 1. Your name, address, and telephone number and the name, address and telephone number of any party upon whom service of documents is to be made, if not yourself.
- 2. A short statement of your interest in the proceeding (e.g., a customer of the Company, a member of the Cooperative, etc.).
- 3. A statement certifying that you have mailed a copy of the motion to intervene to the Cooperative or its counsel and to all parties of record in the case.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before January 15, 2009. If representation by counsel is required by Rule 31 of the Rules of the Arizona Supreme Court, intervention still be conditioned upon the For information about requesting intervenor obtaining counsel to represent the intervenor. the website intervention. visit Commission's The granting of intervention, among http://www.azcc.gov/divisions/utilities/forms/interven.pdf. other things, entitles a party to present sworn evidence at the hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any interested person or entity from appearing at the hearing and providing public comment on the application or from filing written comments in the record of the case.

ADA/Equal Access Information

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator Linda Hogan, e-mail Lhogan@azcc.gov, voice phone number 602-542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.

9050128.1



712 East 46th Street. • Tucson, AZ 85713 • Phone: 520.903.0779

Fax: 520.903.0781











October 29, 2008

Sulphur Springs Valley Electric Cooperative, Inc. PO Box 820 Willcox, AZ 85644-0820

Re:

Notice - Electric Rate Increase Advisory Mailing to customers

Docket NO. E-01575A-08-0328

To Whom this may Concern:

The STATEMENT Company, LLC mailed 5926 "Important Notices about an increase in Electric Rates (Docket NO. E-01575A-08-0328)" letters to Customers of SSVEC. The mail dates were:

Date	Quantity
26-Sep	3111
30-Sep	5496
3-Oct	2296
9-Oct	4424
14-Oct	5346
16-Oct	3618
17-Oct	7471
23-Oct	4596
24-Oct	5469

The Notices were mailed out of our facility located at: 712 E 46th Street Tucson, AZ 85713 Please call me at 520-903-0779 with any questions regarding this mailing.

Sincerely,

original signed

W. Michael Smith Branch Manager/ISO The STATEMENT Company, LLC 712 E. 46th Street Tucson, AZ 85713

AFFIDAVIT OF PUBLICATION

STATE OF ARIZONA) :ss.
COUNTY OF COCHISE)

PAMELA M. MCELROY

and elsewhere, and hereto attached

duly sworn, deposes and says: That (he) (she) is the Agent to the Publisher of the SIERRA VISTA HERALD and the BISBEE DAILY REVIEW newspapers printed and published six days a week in the County of Cochise, State of Arizona, and of general circulation in the cities of Sierra Vista and Bisbee, County of Cochise, State of Arizona

PUBLIC NOTICE OF
HEARING ON THE RATE
APPLICATION OF
DOCKET NO.
E-01575A-08-0328
was printed and published correctly in the regular and entire issue of said SIERRA VISTA
HERALD and BISBEE DAILY REVIEW for

1 issues, that the first was
made on the
16th day of OCTOBER 20 08

and the last publication thereof was made on the 16th day of

OCTOBER 20 08
was made on each of the following dates, to wit:

that said publication

10/16/08

Request of

Sierra Vista Herald Bisbee Daily Review

Ву

Subscribed sworn to before me this

16th day of OCTOBER

20 08

OFFICIAL SEAL
JOAN HANGOCK
NOTANY PUBLIC - State of Arizona
COCHESE GOUNTY
My Comm. Explices May 21, 2012

Notary Public in and for the County of Cochise, State of Arizona

My Commission Expires:

PUBLIC NOTICE OF HEARING ON THE RATE APPLICATION OF SULPHUR SPRINGS VALLEY ELECTRIC COOPERATIVE, INC. DOCKET NO. E-01575A-08-0328

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If you have any questions concerning how the Cooperative's rate proposal will affect your bill or have other substantive questions about this application, you may contact the Cooperative at: Jack Blair, 311 East Wilcox Drive, Sierra Vista, Arizona 85635; telephone 520-515-3470; e-mail jackb@ssvec.com.

The Commission's Utilities Division Staff has not yet made a recommendation regarding the Cooperative's rate increase proposal, and the commission will determine the appropriate rate relief to be granted base on the evidence of record in this proceeding. The Commission is not bound by the proposals made by the Cooperative, Staff, or any intervenors and, therefore, the final rates approved in this docket may be lower or higher than the rates described above.

How You Can View or Obtain a Copy of the Rate Proposal

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Public Hearing Information

The Commission will hold a hearing on this matter beginning **April 21, 2009, at 10:00 a.m.,** at the Commission's offices, Room 222, 400 West Congress, Tucson, Arizona.

Public comments will be taken at the beginning of the first day of the hearing. Written public comments may be submitted by mailing a letter referencing Docket No. E-01575A-08-0328 to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by e-mail. For a form to use and instructions on how to e-mail comments to the Commission, go to http://www.azcc.gov/divisions/utilities/forms/public_comment.pdf. If you require assistance, you may contact the Consumer Services Section at 1-800-222-7000 or (520) 628-6550.

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- 1. Your name, address, and telephone number and the name, address and telephone number of any party upon whom service of documents is to be made, if not yourself.
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PUBLISHED: OCTOBER 16, 2008

AFFIDAVIT OF PUBLICATION

STATE OF ARIZONA)
	: SS
COUNTY OF SANTA CRUZ)

KIMBERLY HICKS

being first

Duly sworn, deposes and says: That (he) (she) is the Agent to the Publisher of the NOGALES INTERNATIONAL newspaper printed and published two days week in the City of Nogales, County of Santa Cruz, State of Arizona. That the notice, a copy of which is hereto attached, described as follows:

HEARING ON THE RATE APPLICATION DOCKET NO.E-01575A-08-0328

was printed and published in the regular and entire issue of said

NOGALES INTERNATIONAL for

issues, that the first was

made on the

15th day of

OCTOBER

20 08

and the last publication thereof was made on the

15th day of

OCTOBER 20

80

that said publication

was made on each of the following dates, to wit:

10/15/08

Request of

SSVEC FOUNDATION

NOGALES INTERNATIONAL

268 W VIEW POINT, NOGALES, AZ 85621 (520)281-9706

Retucia of Aguin

Subscribed sworn to before me this

15th day of

OCTOBER

20

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Notary Public in and for the County of Santa Cruz, State of Arizona

My Commission Expires:

Marchest, 2012

JING PROGRAM

ers choose 2 les authors

ial events coordinaor the Arizona State

s the first bilingual chosen in either caty, Weber said. "We k we can reach a r audience."

vera-Ashford grew 1 Nogales, but now in Tucson.

e winner in the ONE-K adult category is her Nogales native, rto Alvaro Rios of pe. His book "Capiro-a Nogales Memoir" ves its title from a ican bread pudding. le (Rios) pretty much

of the voting," Weber "Capirotada" reed 44 percent of the ic vote in the adult

os, a professor of ish at Arizona State ersity, has received iple awards for his books of poetry and e collections of short

romotes ıreness

S. Congressional Dis-8 Rep. Gabrielle Gifs was unable to at-, leaving Legislative rict 30 Senate candi-Jonathan Paton with e hands to shake.

keynote address by oing Arizona Corpo-Commissioner iam Mundell kicked he event that was fol-

ed by an hour-long ition-and-answer sesthat addressed a in or so rural and se-



Alberto Álvaro Ríos

stories and memoir, according to his online biography.

The authors are invited to tour the state in April 2009 to promote ONE-



Roni Capin Rivera-Ashford

BOOKAZ, Weber said.

(Holley can be reached at (520) 375-5772 or dholley@nogalesinternational .com.)





LEGAL NOTICE

PUBLIC NOTICE OF HEARING ON THE RATE APPLICATION OF SULPHUR SPRINGS VALLEY ELECTRIC COOPERATIVE, INC. **DOCKET NO. E-01575A-08-0328**

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i Arizona state land rm to rancharming vs. developt. Mining was also a ssue.

r more information, the Cienega-Santa c Candidate Forum b site at arrural30forum.blogs om.

elect I-H 2008

itagonia Union High ol. She is a third-year iber of the Mustang 4ub and serves as the 's secre-/treasurer and is on -H Council. Her 4-H ects include market breeding sheep, livek judging, bicycling, ing, and junior lead-

llowing in her grander's footsteps (Dick orr), she is learning t agriculture and anihusbandry. Her hobinclude photography, ic, target shooting softball.

1 Center



L M.D.

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0) 394-2262

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About Intervention

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Req. Sulphur Springs Valley Electric Cooperative Pub. 10/15/08 STATE OF ARIZONA) :ss. COUNTY OF COCHISE)

AFFIDAVIT OF PUBLICATION

THERESA CLARK DULLA CLACK

being first

duly sworn, deposes and says: That (he) (she) is the Agent to the Publisher of the SAN PEDRO VALLEY NEWS-SUN and or ARIZONA RANGE NEWS newspapers printed and published weekly in the County of Cochise, State of Arizona, and of general circulation in the city of Benson, County of Cochise, State of Arizona and elsewhere, and the hereto attached

PUBLIC NOTICE
RATE APPLICATION
FOR SSVEC, INC.
DOCKET NO. E-01575A-

08-0328 was printed and published correctly in the regular and entire issue of said SAN PEDRO VALLEY NEWS-SUN and or ARIZONA RANGE NEWS for

1

issues, that the first was

made on the $^{15 {
m th}}$

 $\text{day of}^{\text{OCTOBER}}$

20⁰⁸

and the last publication thereof was made on the 15t

day of

OCTOBER

2008

that said publication

was made on each of the following dates, to wit:

10/15/08

Request of

SSVEC-SPECIAL PROJECTS

San Pedro Valley News-Sun Arizona Range News

Bith le Haln

By

Subscribed sworn to before me this

15th

day of OCTOBER

20 ⁰⁸



Notary Public in and for the County of Cochise, State of Arizona

My Commission Expires: October 18, 2010

June 29, 2012

LEGAL NOTICE

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The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you wish to intervene, you must file an original and 13 copies of a written motion to intervene with the Commission no later than January 15, 2009, and a copy of the motion to SSVEC or its counsel and to all parties of record. Your motion must contain the following:

- 1. Your name, address, and telephone number and the name, address and telephone number of any party upon whom service of documents is to be made, if not yourself.
- 2. A short statement of your interest in the proceeding (e.g., a customer of the Company, a member of the Cooperative, etc.).
- 3. A statement certifying that you have mailed a copy of the motion to intervene to the Cooperative or its counsel and to all parties of record in the case.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before January 15, 2009. If representation by counsel is required by Rule 31 of the Rules of the Arizona Supreme Court, intervention still be conditioned upon the intervenor obtaining counsel to represent the intervenor. For information about requesting intervention, visit the Commission's website at http://www.azcc.gov/divisions/utilities/forms/interven.pdf. The granting of intervention, among other things, entitles a party to present sworn evidence at the hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any interested person or entity from appearing at the hearing and providing public comment on the application or from filing written comments in the record of the case.

ADA/Equal Access Information

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator Linda Hogan, e-mail Lhogan@azcc.gov, voice phone number 602-542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.

Publish: Oct. 15, 2008 San Pedro Valley News-Sun STATE OF ARIZONA) :ss. COUNTY OF COCHISE)

AFFIDAVIT OF PUBLICATION

THERESA CLARK Shells Claur

duly sworn, deposes and says: That (he) (she) is the Agent to the Publisher of the SAN PEDRO VALLEY NEWS-SUN and or ARIZONA RANGE NEWS newspapers printed and published weekly in the County of Cochise, State of Arizona, and of general circulation in the city of Benson, County of Cochise, State of Arizona and elsewhere, and the hereto attached

PUBLIC NOTICE
RATE APPLICATION
SSVEC INC
DOCKET #E-01575A08-0328

was printed and published correctly in the regular and entire issue of said SAN PEDRO VALLEY NEWS-SUN and or ARIZONA RANGE NEWS for

1

issues, that the first was

being first

made on the 15th

day of OCTOBER

2008

and the last publication thereof was made on the

day of

OCTOBER

20 08

that said publication

was made on each of the following dates, to wit:

10/15/08

Request of

SSVEC-SPECIAL PROJECTS

San Pedro Valley News-Sun Arizona Range News

Ву

Subscribed sworn to before me this

15th

OCTOBE

20 08



Notary Public in and for the County of Cochise, State of Arizona

My Commission Expires: October 18, 2010 —

Jan 29, 2012

PUBLIC NOTICE OF HEARING ON THE RATE APPLICATION OF SULPHUR SPRINGS VALLEY ELECTRIC COOPERATIVE, INC. DOCKET NO. E-01575A-08-0328

On June 30, 2008, Sulphur Springs Valley Electric Cooperative, Inc. ("SSVEC" or tive") filed an application with the Arizona Corporation Commission for an approximate 11.75 percent increase (\$10,881,590) in annual revenue over its current revenues. In addition to an increase and modification to its rates and charges, SSVEC is requesting among other things, the Commission to approve a revision to its Wholesale Power Cost Adjustment ("WPCA") mechanism to include the pass-through of future generation and transmission costs associated with Cooperative-owned generation and transmission facilities; a new Debt Cost Adjustment mechanism that would permit the Cooperative to recover increases in interest costs associated with Commission-approved financing of plant additions; the elimination of line extension credits; and the inclusion of a portion of approved future DSM program expenses in base rates with additional expenses recovered through a new DSM Adjustment mechanism. Under the rates proposed by the Cooperative a residential customer using an average of 728 kWh per month would experience a monthly increase of \$9.83, 11.07 percent, from \$88.79 to \$98.62, not including the effect of the proposed adjustor mechanisms. Residential customers using less or more than the average 728 kWh per month will experience a lower or higher percent increase depending on their usage. Under the Cooperative's proposal, other rate class customers would experience increases between 0.26 percent and 23.45 percent depending on their class and usage.

If you have any questions concerning how the Cooperative's rate proposal will affect your bill or have other substantive questions about this application, you may contact the Cooperative at: Jack Blair, 311 East Wilcox Drive, Sierra Vista, Arizona 85635; telephone 520-515-3470; e-mail jackb@ssvec.com.

The Commission's Utilities Division Staff has not yet made a recommendation regarding the Cooperative's rate increase proposal, and the commission will determine the appropriate rate relief to be granted base on the evidence of record in this proceeding. The Commission is not bound by the proposals made by the Cooperative, Staff, or any intervenors and, therefore, the final rates approved in this docket may be lower or higher than the rates described above.

How You Can View or Obtain a Copy of the Rate Proposal

Copies of the application and proposed tariffs are available at the Cooperative's offices located at 311 East Wilcox Drive, Sierra Vista, Arizona 85635 and at 350 North Haskell Avenue, Willcox, Arizona 85643 and at the Commission's Docket Control Center at 1200 West Washington, Phoenix, Arizona and its Tucson offices, 300 West Congress, Suite 218, Tucson, Arizona and on the internet via the Commission website (/www.azcc.gov/) using the e-docket function.

Public Hearing Information

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